

**So Ordered.**



Patricia C Williams)  
Patricia C. Williams

**Patricia C. Williams  
Bankruptcy Judge**

**Dated: August 20th, 2013**

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF WASHINGTON

In re:

DC No. 12-CV-449-RMP

LLS AMERICA, LLC,

Case No. 09-06194-PCW11

Debtor(s).

BRUCE P. KRIEGMAN, solely in his capacity as court-appointed Chapter 11 Trustee for LLS America, LLC,

Adversary No. 11-80278-PCW11

**Plaintiff(s),**

REPORT AND RECOMMENDATION  
RE: PLAINTIFF'S MOTION FOR  
ENTRY OF DEFAULT JUDGMENT  
AGAINST DEFENDANT BLAZENA  
BOGDAN (ECF NO. 46)

vs.

## BLAZENA BOGDAN,

Defendant(s).

16 The Honorable Patricia C. Williams, sitting in the United States Bankruptcy  
17 Court for the Eastern District of Washington, hereby files this Report and  
18 Recommendation regarding plaintiff's Motion for Entry of Default Judgment Against  
19 Defendant Blazena Bogdan (ECF No. 46) filed with the bankruptcy court in this  
20 adversary proceeding.

1        This Report and Recommendation is made pursuant to the Honorable Rosanna  
2        Malouf Peterson's Order Withdrawing the Reference and Referring to Bankruptcy  
3        Court for Further Proceedings entered on July 10, 2012 (ECF No. 2) in district court  
4        case No. 12-CV-449-RMP.

5        The recommendation is that plaintiff's Motion for Entry of Default Judgment  
6        Against Defendant Blazena Bogdan (ECF No. 46) be granted and the attached Default  
7        Judgment be entered in this adversary proceeding. The basis for this recommendation  
8        is that an Order of Default was entered by the bankruptcy court on July 17, 2013 (ECF  
9        No. 44).

10        //END OF REPORT AND RECOMMENDATION//

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8

9 **UNITED STATES DISTRICT COURT**  
10 **EASTERN DISTRICT OF WASHINGTON**

11 In Re:	US District Case No. 12-CV-449-RMP
12 LLS AMERICA, LLC,	Bankruptcy No. 09-06194-PCW11
13 Debtor.	
14 BRUCE P. KRIEGMAN, solely in his	Adversary No. 11-80278-PCW 11
15 capacity as court-appointed Chapter 11	
16 Trustee for LLS America LLC,	DEFAULT JUDGMENT AGAINST
17 Plaintiff,	DEFENDANT BLAZENA BOGDAN
18 v.	
19 BLAZENA BOGDAN,	
20 Defendant.	

21

22 **JUDGMENT SUMMARY**

23 Judgment Creditor: Bruce P. Kriegman, solely in his capacity as the  
24 Liquidating Trustee under the Confirmed Plan of  
25 the Debtor

26  
27  
28 DEFAULT JUDGMENT- 1

{S0746785; 1 }

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Attorneys & Counselors

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1 Attorneys for Judgment Witherspoon Kelley  
2 Creditor:  
3 Judgment Debtor: Blazena Bogdan  
4 Principal Amount of \$142,531.37 CAD  
5 Judgment: \$ 250.00 US  
6 Interest on Judgment: Weekly Average of One-Year Constant Maturity  
7 (nominal) treasury yield as published by the  
8 Federal Reserve System (28 USC § 1961)

9 This Court having previously entered an Order of Default against  
10 Defendant Blazena Bogdan (Adv. Doc. No. 44), and having reviewed the  
11 previously filed Memorandum of Authorities (Adv. Doc. No. 40) and Affidavit of  
12 Curtis Frye (Adv. Doc. No. 41), and the Affidavit of Shelley N. Ripley in Support  
13 of Plaintiff's Motion for Default Judgment filed herewith, and being fully advised  
14 in the premises,

15 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the  
16 Plaintiff, Bruce P. Kriegman, solely in his capacity as court-appointed Chapter 11  
17 Trustee for LLS America, LLC, shall have a judgment against the Defendant  
18 Blazena Bogdan, as follows:

19 1. Monetary Judgment in the amount of CAD \$142,531.37, pursuant to  
20 11 U.S.C. § 550 and RCW 19.40.071;

21 2. Transfers in the amount of CAD \$85,923.32 made to the Defendant  
22 within four years prior to the Petition Filing Date are hereby avoided and Plaintiff  
23

24 25 26 27 28 DEFAULT JUDGMENT- 2

{S0746785; 1 }

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1 may take all necessary action to preserve the same, pursuant to 11 U.S.C. §§ 544,  
2 550, 551 and 548(a) and (b) and RCW 19.40.041(1) and (2) and RCW 19.40.071;

3       3. Transfers in the amount of CAD \$56,608.05 made to the Defendant  
4 more than four years prior to the Petition Filing Date should be avoided and  
5 Plaintiff should be authorized to take all necessary action to preserve the same,  
6 pursuant to 11 U.S.C. §§ 544, 550 and 551 and RCW 19.40.041(1) and 19.40.071;

7       4. All said transfers to Defendant Blazena Bogdan are hereby set aside  
8 and Plaintiff shall be entitled to recover the same, or the value thereof, from  
9 Defendant Blazena Bogdan for the benefit of the estate of LLS America, pursuant  
10 to 11 U.S.C. §§ 544, 550 and 551;

11       5. All proofs of claim of the Defendant which have been filed or  
12 brought or which may hereafter be filed or brought by, on behalf of, or for the  
13 benefit of Defendant Blazena Bogdan or any affiliated entities, against the  
14 Debtor's estate, in this bankruptcy or related bankruptcy proceedings, are hereby  
15 disallowed and subordinated to the monetary judgment granted herein and  
16 Defendant Blazena Bogdan shall not be entitled to collect on her proofs of claim  
17 (Claim Nos. 60-1 and 477-1) until the monetary judgment is satisfied by  
18 Defendant Blazena Bogdan in full, pursuant to 11 U.S.C. §§ 502(d), 510(c)(1) and  
19 105(a);

20       6. A constructive trust is hereby established over the proceeds of all  
21 transfers in favor of the Trustee for the benefit of the estate of LLS America; and  
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DEFAULT JUDGMENT- 3

{S0746785; 1 }

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7. Plaintiff is hereby awarded costs (i.e. filing fee) in the amount of \$250.00 USD, for a total judgment of CAD \$142,531.37, plus \$250.00 USD, which shall bear interest equal to the weekly average of one-year constant maturity (nominal) treasury yield as published by the Federal Reserve System.

Entered this \_\_\_\_ day of \_\_\_\_\_, 2013.

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## HONORABLE ROSANNA PETERSON

*Presented by:*

# WITHERSPOON · KELLEY

*s/ Shelley N. Ripley*

Shelley N. Ripley, WSBA No. 28901

Daniel J. Gibbons, WSBA No. 33036

Attorneys for Bruce Kriegman, Chapter 11 Trustee

## DEFAULT JUDGMENT- 4

{S0746785; 1 }

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